

Regular Session, 2011

HOUSE BILL NO. 85

BY REPRESENTATIVE KLECKLEY

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

INSURANCE/POLICIES: Requires the identification of the title producer, examining attorney, and title insurer on certain transactions

1 AN ACT

2 To enact R.S. 22:513.1, relative to title insurance; to require identifying information on acts
3 transferring an interest in residential property; to provide immunity from liability
4 under certain circumstances; and to provide for related matters.

5 Be it enacted by the Legislature of Louisiana:

6 Section 1. R.S. 22:513.1 is hereby enacted to read as follows:

7 §513.1. Title insurance; identification of examining attorney and title producer

8 A. Every sale, conveyance, transfer, or other act transferring an interest in
9 or ownership in a one-to-four family residential property that is insured by an
10 owner's title insurance policy and every mortgage encumbering such immovable
11 property that is insured by a loan title insurance policy shall contain all of the
12 following identifying information:

13 (1) The name, address, and Louisiana license number of the issuing title
14 insurance producer.

15 (2) The name of the title insurance underwriter issuing the policy.

16 (3) The name and bar roll number of the attorney licensed to practice law in
17 Louisiana who provided the title opinion upon which the title insurance policy is
18 based.

19 B. Prior to recordation, the title insurance producer shall verify that the
20 identifying information required by Subsection A of this Section is included within

1 the document. The information may be typed or stamped on the document or
 2 included on a separate form attached to the document.

3 C. The inclusion of the information on the recorded document or attachment
 4 shall not create additional liability for those named therein nor shall it create a
 5 separate cause of action against the title insurance producer, title insurance
 6 underwriter, lender, or examining attorney.

7 D. Failure to include the information required by this Section on any
 8 document or act shall not nullify or otherwise affect the validity of the document or
 9 act.

10 Section 2. This Act shall become effective on January 1, 2012.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

Kleckley

HB No. 85

Abstract: Requires the identification of the title producer, title insurer, and examining attorney on certain residential transactions.

Present law prohibits a title insurance producer or insurer from issuing a title report or policy of title insurance without such report or policy being based on a title opinion of an attorney licensed to practice law in La.

Present law dictates that the search period be at least 30 years for transfers or the longer of 10 years or two links for mortgage refinance transactions.

Proposed law requires the title insurance producer to include identifying information for the title producer, title insurer, and the examining attorney on all recorded acts of transfer and on all recorded mortgages insured by a title policy where the property described in the recorded act is a one-to-four family residential property.

Proposed law provides that the inclusion of the required information does not create additional liability for those named therein nor does it create a separate cause of action against the title insurance producer, title insurer, lender, or examining attorney.

Proposed law provides that failure to include the information required by proposed law shall not nullify or otherwise affect the validity of the document.

Effective Jan. 1, 2012.

(Adds R.S. 22:513.1)

Summary of Amendments Adopted by House

Committee Amendments Proposed by House Committee on Civil Law and Procedure to the original bill.

1. Deleted application of proposed law to leases.
2. Specified applicability to transactions transferring an ownership in one-to-four family residential property.
3. Added lenders to those included in the limitation of liability.
4. Added provision limiting the effect of the failure to include the required information.